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April 2008

**RANDE  
RISES  
HIGHER**

Catching Up With  
The Gerber Group

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April 2008

**R**ande Gerber is a lot of things. He's the husband of possibly the most famous model in history, Cindy Crawford. He rubs elbows with the cream of Hollywood's elite. And he's a former model himself.

But to describe Rande Gerber primarily by reference to these facts is a grave mistake. Gerber's identity — and his legacy in hospitality history — is as a shrewd businessman, visionary and innovator in nightlife.

Rande Gerber and brother Scott Gerber are the founders and principals of The Gerber Group, Rande Gerber having created the company as an evolution of the trademark brand he birthed with The Whiskey bars more than 15 years ago. He's since become arguably the most influential nightlife proprietor in the country — taking his brands overseas as well.

The extraordinary success of The Whiskey bars has established Rande Gerber's calling cards: pre-eminent taste and an uncanny ability to create chic, seductive bars with modern glamor that reflect the times. His nightlife brand and vision continues to expand, developing hotel bars with W Hotels, Hard Rock Hotels, Casinos & Resorts, Sofitel, Station Casinos, ME by Melia Hotels and Maxim magazine.

Gerber's vibe has spread to bars, clubs and restaurants; The Gerber Group has opened over the years in Los Angeles, New York, Chicago, Boston, New Orleans, Biloxi, Miss., San Diego, Mexico City, Cancun, Madrid and Scottsdale.

Most recently, the group opened Moonstone Lounge and Sweetwater Saloon in San Diego, in the Hard Rock Hotel there. In every venture, Rande Gerber has followed his own taste, and the success of each branded concept within the group's stable has proven that his taste is indeed good.

"When we started in the business over 15 years ago, we opened the first Whiskey in New York at the Paramount Hotel, as a rock 'n' roll lounge where people could come and sit on comfortable couches and listen to music and have drinks — and also not be overwhelmed by how loud the music is," Gerber says. "It was pretty much how I entertained at home, and at the time it didn't exist in public. I really just brought my



**It was pretty much how I entertained at home, and at the time it didn't exist in public. I really just brought my personal taste, in how I liked to entertain, to the public.**

Rande Gerber

personal taste, in how I liked to entertain, to the public.

"At the time, most hotel companies were operating their own restaurants and bars. I was brought in to do this bar and subsequently many others. I ended up signing deals with Morgans Hotel Group, and then I helped with the start-up of W hotels."

#### Looking at the Long Run

A serious symptom in the world of most high-end nightlife is that of following trends so fervently that each concept becomes passé almost immediately. Whether it's an exciting idea that burns fast and fizzles out or just an intentionally temporary cash-grab, today's high-end clubs typically have a short shelf life before ownership turns them over



Top: Sweetwater Saloon. Above: Rande Gerber, wife Cindy Crawford and their children out on the town. Opposite page: Gerber at Rise in Biloxi, Miss.



**48** ON THE COVER  
Rande Gerber's identity — and his legacy in hospitality history — is as a shrewd businessman, visionary and innovator in nightlife. Years after opening his first Whiskey bar, he continues to open venue after successful venue, keeping core focus on atmosphere and generating loyal staff.  
By Tad Wilkes

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Above and right: Sweetwater Saloon



into something else. There's a reason that The Gerber Group's brands, by contrast, remain vibrant for years, while someone else's flavor of the month is shut down.

"Most people's perception in the nightclub business is that you open for a year or two, make a lot of money and then close and do the next one," Gerber says.

"Our philosophy was that if I'm putting my name behind something and building something, I want it to be there forever. I'm building a company."

"I'm involved in every aspect of what my company does, from choosing the locations, to choosing the design, to what type of napkins we're using, to the size of the ice cubes, to the music, to the uniforms," Gerber says.

That Gerber taste and vision plays a big role toward achieving this goal as it informs his leadership. But another key element in this long-run approach is Gerber's philosophy in his staff's roles.

"I've been very fortunate to have a very loyal staff," he says. "Some people in my corporate office have been with me since Day 1 and most for over 10 years. They do their jobs really well, and I know I can count on them to deliver the product that we're used to and that we're known for."

In fact, Gerber is so legitimately dedicated to the people on his team that he'll even transfer them from coast to coast to another

property if they so much as want a change of scenery. It breeds intense loyalty and enthusiasm that permeates everything that goes on in the group's bars.

"We afford them opportunities to transfer to places and to move up in the company. It doesn't matter what your job is — if you're a busboy or bartender or waitress or management," Gerber says. "The loyalty is one of the most important factors in making a company successful. By showing our loyalty to our employees, they give it right back to us."

"All of our employees have the opportunity to transfer to (another property) — whether you're in California and want to move to Madrid, or you live in New York and want to move out to L.A. Giving our employees that comfort level and treating them all as team members, as opposed to someone just getting a paycheck, is important."

Oh, and, yesh, The Gerber Group's pay helps keep star players around as well. It's an idea that scares many in the club business who view staff as far more replaceable. And while it's generally true that everyone is dispensable in the business world to an extent, Gerber makes more effort to keep his talented crew close — and thereby spurs them to give their all.

"I just recently heard from one of my old managers in Los Angeles who is now working with a research company of head hunters looking for management staff for hotels

and restaurants," Gerber says, "and he said, 'We have to do research for a hotel on what other places are paying their employees, and your place came up as the benchmark. You pay the most and have the most loyal employees.' They sent me this chart of all the other restaurants and clubs in town and what they're paying, and we were No. 1 in what we pay our employees. And they're worth every penny we pay them."

"The customer definitely feels it when they walk into our places. If the employee is not happy, it comes across. If they're happy and having a good time, it really transfers right to the customer. My employees are my customers. When they're working and doing their job, they're having fun doing it. When they're not working, they're usually hanging out and drinking at our places."

## Rising from Devastation

While the new openings of Moonstone Lounge and Sweetwater Saloon in the San Diego Hard Rock Hotel grow the Gerber-Hard Rock relationship, Hard Rock International first engaged The Gerber Group to create a club, Rise, for the top floor of its casino and hotel property in Biloxi, Miss.

But about 10 days before opening, Mother Nature decided to enter as a not-so-silent partner. Hurricane Katrina so devastated the Gulf Coast that the most pessimistic of busi-

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ness owners gave up, while a number did decide to rebuild. The latter group consists mostly of longtime Coast residents with a long history in the area. But among their numbers — in fact among the first to rebuild — was Rande Gerber, a man with no ties to or history with the area.

"Hard Rock approached me soon after the hurricane hit, when they had decided they were going to rebuild the hotel," Gerber says. "I flew down to Biloxi, landed at the airport and got into the car, and on my drive to the hotel, I saw the devastation and what the people had been through. From talking to the driver and the people at the hotel and meeting people in Biloxi, they were very excited about me coming to Biloxi, thinking I could bring a little bit of attention and lift the spirits of people in some of the some of the businesses there. There were a few open, but they were having a hard time."

Gerber realized that by opening Rise, he might show other business owners with doubts that it was "okay to come back."

"It was important to do it for the people who were there," he says.

Unlike New Orleans, an American city so famous and revered by people across the nation and world, the Gulf Coast, by com-

there, and the encouragement of dedicated newcomers such as Gerber.

"Things are looking up for New Orleans, but Biloxi's still having a really difficult time," he says. "I think one of the greatest things I've done in our company was to open in Biloxi. I think by bringing a taste of New York or Los Angeles to Biloxi it had a nice impact on helping with the morale of people who live there and those who are coming back to visit Biloxi."

## Locals and Stars

Rande Gerber's a celebrity in his own right, and it goes without saying that his wife is a household name. The famous pair exist at the highest level of Hollywood; to get this point across in shorthand, friends of Gerber include George Clooney, Brad Pitt and Matt Damon (in fact the four of them came close to developing a casino hotel in Las Vegas a few years ago together). But you'd only know it if you were to actually see them together, because Gerber's not one to kibbutz and tell. He didn't drop any names at all in talking with *NCB*, for instance, and his bars carry the same mindset.

While Gerber isn't with the gang from "Ocean's 11" on the silver screen, you can bet they're likely to head for one of his cozy establishments after a day of filming.

'So-and-so is here.' We don't allow cameras in my places, so they don't have to worry about someone taking their picture — although with cell phones these days they can do that. But if our security sees a flash go off, they go over and have them delete the pictures."

But Gerber's venues are not simply intended as a refuge for celebs.

"People know what to expect when they're in my places, whether it's Chicago, Los Angeles, Biloxi, Madrid or wherever it might be," he says. "Although we have a high profile clientele, our places are for the locals. That's why we build them. I think that's why the celebrities go there, because they want a taste of going into a local bar that, although high profile, is still low-key and laid back. They come in with their friends and have drinks and conversation and don't get hassled by the local clientele that I get at my places. It's a nice mix."

## Open to the Future

It's no easy task keeping up with The Gerber Group's openings. The next few months will see the group open Whiskey Park and Whiskey Blue in Atlanta, in Midtown and Buckhead respectively, and Gerber opened Stone Rose Lounge in Scottsdale, Ariz., over Super Bowl weekend. He'll be opening Whiskey Blue in Fort Lauderdale, Fla., in a few months as well.

Establishing successful operations over the years has made opening each subsequent venue a slick affair.

"We have a great team, and it makes our job easier," Gerber says. "The team comes together, and we get them open. We know how to work with the hotel companies. It's a smooth and seamless operation."

With regard to opening bars and restaurants in hotels, a Gerber favorite, he says it provides a perfect symbiotic situation.

"They look to us not only for increased food and beverage for the hotel but increased room rates," he says. "We bring a certain clientele to the hotel that they might not otherwise have gotten. They know they can count on us. We're not in the hotel business; we're in the lounge business. The relationship that we have works really well for both of us. We choose the right partners in what we do." **NCB**



Cindy, Rande, Ashlee Simpson and Pete Wentz at the opening of Sweetwater Saloon in San Diego

parison and quite unfairly, had much less apparent hope of rebounding as quickly. The rebirth of New Orleans was a given; Louisiana wouldn't let its prime tourist spot die. But in retrospect, the Gulf Coast could not die either — not with the spirit of the people



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Rande Gerber

"We have a lot of celebrity guests, and we've had that clientele from the beginning," Gerber says. "One of the main reasons they come back is that they feel it's their neighborhood bar. They feel comfortable and feel that their privacy is protected."

"We don't talk about them. We don't call newspapers and magazines and say